

July 25, 2022

RE: Case # 22-10964 - Requesting Clarity of Obligations on Maturing Loans during Chapter 11 Freeze

Honorable Judge Martin Glenn,

I am writing today to obtain more clarity on near term options as a result of receiving once again, conflicting information from Celsius.

I along with others, who have Loans nearing maturation, continue to receive notification for payment to address Loans. This is causing undo confusion to the Celsius Retail users. See excerpt from a notification received July 22<sup>nd</sup>:

We wanted to remind you that your loan is coming to maturity on August 5, 2022 12:00 AM and the loan principal payment will come due. If you would like to extend the term of your loan please use our in-app extension feature. You can extend for an additional 6-36 months with no fees, and there is no limit to the number of times you can extend your loan.

I have no issues to extend my current Loan, even making more monthly intertest payments if it will allow me to keep all my deposits and collateral intact. I do not feel throwing more money to Celsius for this loan is wise until there is a plan shared with their user community.

As well, another document which outlined current status of Celsius, states that Celsius is no longer liquidating retail loans for the near term.



## Current Status of Operations

Celsius Program	Status After Pause Date (June 12, 2022)	Status After Petition Date (July 13, 2022)
<b>Earn Program (Retail)</b>	<ul style="list-style-type: none"><li>- No withdrawals, swaps, or transfers between accounts</li><li>- New and existing customers can transfer crypto assets to their accounts</li><li>- Customers continue to accrue rewards in Earn accounts</li></ul>	<ul style="list-style-type: none"><li>- Unchanged</li><li>- Customers <u>cannot</u> activate new accounts; not possible to halt new transfers from existing customers</li><li>- Customers <u>do not</u> accrue rewards in Earn accounts</li></ul>
<b>Custody Program (Retail)</b>	<ul style="list-style-type: none"><li>- No withdrawals, swaps, or transfers between accounts</li><li>- New and existing customers can transfer crypto assets to their accounts</li></ul>	<ul style="list-style-type: none"><li>- Unchanged</li><li>- Customers <u>cannot</u> activate new accounts; not possible to halt new transfers from existing customers</li></ul>
<b>Borrow Program (Retail)</b>	<ul style="list-style-type: none"><li>- Customers can take out new loans</li><li>- Existing loans administered in the ordinary course</li></ul>	<ul style="list-style-type: none"><li>- No new loans</li><li>- Celsius no longer liquidating retail loans or demanding margin calls, but accepting loan repayments and continuing to hold coins posted as collateral</li></ul>
<b>Institutional Lending and Borrowing</b>	<ul style="list-style-type: none"><li>- No new loans</li><li>- Existing loans administered in the ordinary course</li></ul>	<ul style="list-style-type: none"><li>- Unchanged</li><li>- Celsius has paused liquidations of institutional loans and no longer demanding margin calls, but accepting loan repayments and continuing to hold coins posted as collateral</li></ul>

With the above in mind, the clarity I am seeking to gain, is whether there is any obligation of depositor and Retail Loan users at current time to close out a Loan which has matured?

If all Liquidations have been placed on hold, I would expect these notifications to also cease as it is sending mixed messages to the retail user community. My thought is that if all liquidations are on HOLD, that Celsius should not be sending these notifications out at all during this freeze period.

Once the freeze is lifted, I would also ask that users be allowed 90 days to resolve and outstanding Loans with Celsius ( or new owners ). I have seen several others that have voiced similar concerns, to not be required to provide Celsius more funding for paying off Loans, without any ability to access our collateral or Deposits. I whole heartedly support this position to not throw good money after bad.

Would appreciate any clarifying statements be shared or released to the public to understand what obligations that we have on Maturing loans.

Thanks for your consideration,

Dennis Gendreau